

REMARKS

The Office Action dated November 16, 2006 has been received and carefully noted. In response thereto, Applicants submit this paper, along with an extension of time under 37 CFR §1.136, and respectfully request the Examiner's entry and consideration thereof. No claims have been amended, no new claims have been added to the application, and no new matter is presented by this paper. Therefore, claims 35-49 and 51-65 are pending and submitted for consideration herein.

In paragraph 1 of the Office Action, claims 35, 36, 38-42, 48, 49, 52, 53, 57-61, 63, and 64 were rejected under 35 USC §102(e) as being anticipated by *Dorf* (US Patent No. 6,000,608). The Office Action took the position that *Dorf* expressly teaches each and every element recited in the rejected claims. Applicants traverse the rejection and respectfully submit that *Dorf* fails to teach "each and every element" recited in claims 35, 36, 38-42, 48, 49, 52, 53, 57-61, 63, and 64.

More particularly, Applicants' independent claim 35, from which each of claims 36-39 and 57-58 directly or indirectly depend, expressly recites a system for effecting electronic payment that includes a terminal located at a point-of-sale that is operable to exchange electronic messages with a financial network, and a payment processor having a database for storing a list of participating point-of-sale merchants and a database associating each of a plurality of intermediary account numbers with at least one corresponding end-user account number, where each end-user account number associated with a corresponding vendor. Applicants' claimed system further includes the payment processor being operable to exchange electronic messages with the point-of-sale terminal via the financial network and having means for crediting an indicia of monetary value to a corresponding intermediary account stored in a database coupled to the payment processor in response to receiving a payment message from the point-of-sale terminal. Further still, Applicants' claimed system includes an interface means

for communicating at least a recharge transaction to the corresponding vendor to credit a selected one of the end-user accounts associated with the corresponding intermediary account in response to crediting the corresponding intermediary account.

Applicants' independent claim 40, from which claims 41-47 and 60-65 directly or indirectly depend, similarly recites a method for effecting payment for telephone services. The method is expressly recited as including establishing a intermediary account having a corresponding account identifier, associating the account identifier of the intermediary account with an end-user's prepaid account maintained by a telecommunication vendor and storing the association in a database coupled to a central payment processor, wherein the association includes information that allows the central payment processor to identify the end-user's prepaid account when presented with the account identifier, and facilitating a payment transaction between the end-user and a point-of-sale, the payment transaction comprising receiving a payment from the end-user at the point-of-sale together with the account identifier for loading value into the end-user's prepaid account. The method further includes electronically communicating data indicative of the transaction from the point-of-sale to the central payment processor, validating (in the central processor) the transaction data and transmitting a response to the point-of-sale, and if the validating step results in approval of the transaction, (in the central processor) sending a message to the telecommunication vendor for loading value into the end-user's associated prepaid account responsive to the payment transaction.

Applicants' independent claim 48, from which each of claims 49-56 directly or indirectly depend, recites a method for effecting payment for goods or services. The method is recited as including providing a centralized payment processor, establishing an intermediary account in a database that is coupled to the payment processor, the intermediary account having a corresponding account identifier, associating the intermediary account with an end-user account associated with a corresponding vendor,

and conducting a payment transaction comprising receiving a payment together with the account identifier from the end-user at a point-of-sale. The method further includes communicating data indicative of the payment transaction from the point-of-sale to the centralized payment processor via a financial network, in the payment processor, validating the payment transaction data and transmitting a response to the point-of-sale, said response including an indication of approval if the validating step results in approval of the transaction, in the payment processor, if the validating step results in approval of the transaction, crediting an indicia of monetary value to the corresponding intermediary account in response to the payment transaction, and sending a message to the vendor for loading value into the end-user account responsive to the payment transaction.

Dorf, in Figure 1, teaches a multifunction card system 108 that includes a plurality of cards 101, a sponsor bank processor 102, and a processing hub 103, which serves as the nerve center of the system 108. If the system 108 is to provide prepaid phone cards, it will also include a prepaid phone card issuer hub 104 that is maintained by a prepaid phone card issuer. System 108 uses existing banking networks to gain access to retail point-of-sale (POS) devices 105, which include stand-alone POS terminals, cash registers with POS interfacing, computers with POS interfacing, etc. To access the POS devices 105, the operator of the system 108 must have a Bank Identification Number (BIN) encoded on a magnetic strip 106 of the card 101, which serves as a unique identifier of the multifunction card system 108 within the banking network. The operator of the system 108 should also have a sponsoring bank whose bank processor 102 will serve as the link between the processing hub 103 and a banking network. By providing a means for any given POS device 105 to connect to the processing hub 103, the system 108 allows a retailer to remotely activate or add value or loyalty data to a system card.

However, Dorf does not teach or disclose an intermediary account or any of Applicants' recited limitations related to the intermediary account. More particularly, although *Dorf* appears to teach POS terminals communicating with a financial network and a payment processor, Dorf does not teach or disclose that the payment processor has a database associating intermediary account numbers with particular end-user accounts. Further, Dorf also fails to teach or disclose a means for crediting an indicia of monetary value to a corresponding intermediary account stored in a database coupled to the payment processor in response to receiving a payment message from the point-of-sale terminal. Applicants submit that the intermediary account limitation is recited in each of the rejected claims. As such, Applicants submit that each of claims 35, 36, 38-42, 48, 49, 52, 53, 57-61, 63, and 64 recite subject matter that is not taught or disclosed by the cited prior art. Therefore, the Examiner's reconsideration and withdrawal of the rejection of claims 35, 36, 38-42, 48, 49, 52, 53, 57-61, 63, and 64 over *Dorf* is respectfully requested.

In paragraph 2 of the Office Action, claims 37, 43, 45-47, 54, 55, and 62 were rejected under 35 USC §103(a) as being obvious over *Dorf* in view of *Muehlberger* (US Patent No. 5,696,908). The Office Action took the position that *Dorf* teaches each and every element recited in the rejected claims, except for the point of sale terminal being a vending machine and an electronic funds transfer where the collecting step is effecting via an ACH. However, the Office Action cites to *Muehlberger* as teaching these features, and concluded that it would have been obvious for one of ordinary skill in the art to have combined the cited prior art to generate Applicants' claimed invention. Applicants traverse the rejection and respectfully submit that the cited combination of references, when taken alone or in combination, fails to teach, show, or suggest each and every limitation recited in claims 35, 36, 38-42, 48, 49, 52, 53, 57-61, 63, and 64.

Applicants' independent claims are presented above. *Dorf* is also discussed above. *Muehlberger* teaches a method for using prepaid telephone card in placing local

and long distance calls, where the telephone card is dispensed from a system having data processing and telecommunications means for communicating with multiple telecommunications carriers or switch and an electronic clearing house for initiating funds collection from the house and payment to a selected telecommunications carrier for each phone card transaction. A card value is selected by the customer for providing an activation code acceptable to the selected telecommunications carrier wherein each code permits prepaid purchasing from that carrier. The value selected is in response to a customer demand associated with an electronic funds transfer payment having the selected value. Customer identification sufficient for obtaining customer credit approval from an associated lender through the clearing house is received from the customer. A real-time communication is generated to the clearing house for determining validity and for initiating electronic funds collection, and customer identification validity is requested. Further, electronic funds transfer is initiated in the amount of the selected value, and the card is then provided having the value and an activation code recognizable by the selected carrier. A real-time communication is then generated to the selected carrier for initiating electronic funds payment to the carrier along with the activation code for permitting phone card use by the customer immediately after the card is dispensed.

However, *Muehlberger* does not in any way teach, show, or suggest an intermediary account, as recited in each of the rejected claims. Further, *Muehlberger* does not teach, show, or suggest that the payment processor has a database associating intermediary account numbers with particular end-user accounts, as recited in each of the rejected claims. Further, *Muehlberger* also fails to teach, show, or suggest a means for crediting an indicia of monetary value to a corresponding intermediary account stored in a database coupled to the payment processor in response to receiving a payment message from the point-of-sale terminal, as recited in each of Applicants' rejected claims. Therefore, Applicants submit that *Muehlberger* fails to further the teaching of *Dorf* to the level necessary to properly support an obviousness rejection of claims 43, 45-47, 54, 55, and 62, as the cited combination of references,

when taken alone or in combination, fails to teach, show, or suggest each and every limitation recited in claims 43, 45-47, 54, 55, and 62. As such, reconsideration and withdrawal of the rejection of claims 43, 45-47, 54, 55, and 62 over *Dorf* in view of *Muehlberger* is respectfully requested.

In paragraph 3 of the Office Action, claim 44 was rejected under 35 USC §103(a) as being obvious over *Dorf* and *Muehlberger*, further in view of *Risafi* (US Patent No. 6,473,500). The Office Action took the position that *Dorf* and *Muehlberger* teaches each and every element recited in claim 44, except for the collecting step being carried out in a batch mode. However, the Office Action cites to *Risafi* as teaching this feature, and therefore, the Office Action concluded that it would have been obvious for one of ordinary skill in the art to combine the references to generate Applicants' invention recited in claim 44. Applicants traverse the rejection and respectfully submit that the cited combination of references, when taken alone or in combination, fails to teach, show, or suggest each and every element recited in claim 44.

Claim 44 depends indirectly from claim 40, which is presented above. *Dorf* and *Muehlberger* are also discussed above. *Risafi* teaches a system and a method for using a prepaid card that offers the flexibility needed in transacting electronic payments. In addition to the prepaid card, the system includes a card user, a card issuer, an agent who sells or distributes the card, a terminal, and a prepaid card processing center. The card issuer, such as a bank, issues a card and offers it for sale or distribution through its own branches or through an agent or network of agents. The terminal, which can be located at a bank, a merchant, or a program sponsor, performs various functions including card activation, PIN selection and change, card account reloading, balance inquiry, and transaction history. The user selects a PIN of his or her choice upon inserting the purchased card into an terminal or by accessing another designated device, such as a interactive voice response unit ("IVRU"). The terminal reads pre-encoded card identification data such as a card number (which is stored on the card)

and transmits over a network to the card processing center the information from the card and the PIN selected by the consumer. The card processing center stores the card number, PIN, and the balance in an account file. The card user is able to use the card at any terminal or other designated device connected through a network to the processing center to buy goods and services, to withdraw cash, and to add value to the card. The cardholder may also change the PIN using these devices. When conducting any of these transactions, the card processing center verifies the transaction's validity by checking the stored card number and PIN against the card number read by the terminal and the PIN entered by the card user for that transaction.

However, *Ridafi* does not in any way teach, show, or suggest an intermediary account, as recited in each of the rejected claims. Further, *Ridafi* does not teach, show, or suggest that the payment processor has a database associating *intermediary account numbers* with particular end-user accounts, as recited in each of the rejected claims. Further, *Ridafi* also fails to teach, show, or suggest a means for crediting an indicia of monetary value *to a corresponding intermediary account* stored in a database coupled to the payment processor in response to receiving a payment message from the point-of-sale terminal, as recited in each of Applicants' rejected claims. Therefore, Applicants submit that *Ridafi* fails to further the teachings of *Dorf* and *Muehlberger* to the level necessary to properly support an obviousness rejection of claim 44, as the cited combination of references, when taken alone or in combination, fails to teach, show, or suggest each and every limitation recited in claim 44. As such, reconsideration and withdrawal of the rejection of claim 44 is respectfully requested.

In paragraph 4 of the Office Action, claim 51 was rejected under 35 USC §103(a) as being obvious over *Dorf* in view of *Carson* (US Patent No. 6,028,920). The Office Action took the position that *Dorf* teaches each and every limitation recited in claim 51, except for the account being a cellular phone account. However, the Office Action cited to *Carson* as teaching this limitation, and therefore, the Office Action concluded that it

would have been obvious to one of ordinary skill in the art to have combined the teaching of the references to generate Applicants' invention recited in claim 51. Applicants traverse the rejection and respectfully submit that the cited combination of references, when taken alone or in combination, fails to teach, show, or suggest each and every limitation recited in claim 51.

Claim 51 depends from independent claim 48, which has been discussed above. Additionally, *Dorf* has been discussed above. *Carson* teaches a method for providing telephone service and cooperatively promoting the sale of telephone usage services by a telephone service provider and the sale of goods and/or services such as lottery tickets associated with a lottery game by a lottery service provider. A phone card has a substrate, a personal identification number (PIN) which can be covered by a removable opaque coating, and machine readable indicia such as a bar code or magnetic strip used to activate the telephone card in a secure fashion and/or link the phone card to a lottery-type game. Users purchase the pre-paid phone card for a fixed fee which entitles the user to a set amount of long distance phone service and a promotional lottery ticket. The phone card is activated and a lottery ticket is issued at a lottery agent terminal.

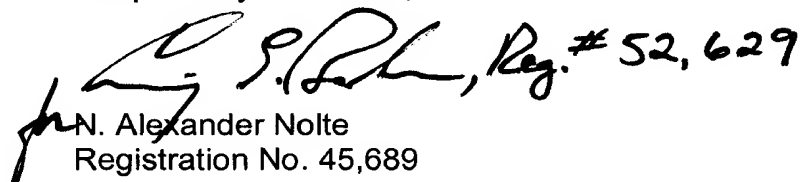
However, *Carson* does not teach, show, or suggest an intermediary account, as recited in claim 51. Further, *Carson* does not teach, show, or suggest that the payment processor has a database associating *intermediary account numbers* with particular end-user accounts, as recited in each of the rejected claims. Further, *Carson* also fails to teach, show, or suggest a means for crediting an indicia of monetary value *to a corresponding intermediary account* stored in a database coupled to the payment processor in response to receiving a payment message from the point-of-sale terminal, as recited in each of Applicants' rejected claims. Therefore, Applicants submit that *Carson* clearly fails to further the teaching of *Dorf* to the level necessary to properly support an obviousness rejection of claim 51, as the cited combination of references,

when taken alone or in combination, fails to teach, show, or suggest each and every limitation recited in claim 51. As such, reconsideration and withdrawal of the rejection of claim 51 over *Dorf* and *Carson* is respectfully requested.

CONCLUSION

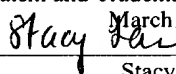
Applicants submit that all matters set forth in the Office Action have been addressed in this Response. Further, Applicants believe that the above noted remarks distinguish Applicants' claims from the cited prior art, and that the claims are in condition for allowance. More particularly, Applicants submit that none of the cited prior art, when taken alone or in combination, teaches the use of the intermediary account and the association between the intermediary account numbers and the end users, as recited in each of Applicants' claims. Therefore, favorable consideration and an early indication of allowability is respectfully requested. In the event that the Examiner does not believe that Applicants' claims are in condition for allowance, Applicants respectfully request that the Examiner contact the undersigned attorney by telephone to arrange for an interview to expedite the disposition of this application.

Respectfully submitted,

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<p align="center">Certificate of Service</p> <p>I hereby certify that this correspondence is being filed with the U.S. Patent and Trademark Office via EFS-Web on <u>March 16, 2007</u>.</p> <p align="center"> Stacy Lanier</p>
